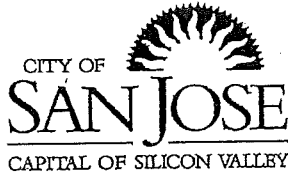


POA #7

RULES COMMITTEE: 01/30/13

ITEM:



Memorandum

TO: RULES AND OPEN
GOVERNMENT COMMITTEE

FROM: Councilmember Sam Liccardo
Councilmember Pete Constant

SUBJECT: STUDY SESSION TOPIC:
Short-Term Strategy to Address
Police Staffing Shortfalls

DATE: January 24, 2013

Approved

Date

1/24/13

RECOMMENDATION:

Add to the February 11, 2013 Council prioritization process a recommendation to hold a study session to determine the best approach to address staffing and retention issues in the San Jose Police Department.

DISCUSSION:

The Problem

It has long been evident to every member of this Council that our Police Department suffers from severe staffing shortages. While finger-pointing abounds, and the media will readily point to compensation reductions as the cause, the data presented in the City Auditor's November 8, 2012 report ("Ten Years of Staffing Reductions at the City of San José—Impacts and Lessons Learned") demonstrates that the shortfall in many ways predated the departures over the last year.

Certainly the problem has become even more acute in the wake of pay and benefit cuts in recent years, as dozens of officers have departed to cities offering higher compensation. Nonetheless, the public needs to recognize that this situation does not lend itself to the "quick fix." We all need to be cognizant that it will take many years to reverse the cumulative impacts of both the increasing retirements from our predictably aging workforce, as well as the City's inability to add positions during the recent budget crisis.

Potential Solutions

In light of the increasing rate of departures, it's no secret that we can best stem that flow if we focus on restoring compensation in some form.

In the coming days, we expect to hear our Budget Office report the extent of salary savings resulting from unfilled authorized positions in our Police Department. Of course, that "pot" of funds appears available today, but not in future years. Without an ongoing source of savings or revenues, any increase in salaries now would be followed by staffing squeezes—including layoffs-- in future years.

So, our attention focuses on "one-time" expenditures to provide a temporary fix. We all hope—and with a favorable IRS ruling on opt-out pension plans, for example, or with continued economic growth—for a more optimistic fiscal scenario to greet us in 2014, when we aspire to offer more substantial restorations to reduced compensation and staffing.

We urge a study session to identify the size of the "pot" of money which we can tap as a source, including any other identified savings to be dedicated to this pressing problem. We can then enable the Council to plot a more deliberate course regarding how we can best use this funding to stem the departures of officers or recruit others, including but not limited to:

- **Retention Incentives**

Depending on the amount of that funding, the most logical use of this one-time money would focus on stemming the tide of departures of officers seeking higher compensation with a one-time, non-pensionable "retention bonus." For example, a non-pensionable bonus of 8% of pay might cost the City approximately \$ 7.5 million over the next fiscal year, to be paid out, for example, to any officer employed by the department as of March 1, 2014.

If offered in conjunction with a one-year deferral of negotiations with POA, for example, the bonus could serve as a "placeholder" until a more sustained pay increase could be offered with what we all hope will be a sunnier fiscal picture the following year.

- **Signing Incentives**

Based on numbers that we've heard regarding applicants to our Academy, it appears that we do not have difficulty attracting officer candidates. We may well have a problem keeping them, though, once we've trained them. Offering a signing bonus with a "clawback" provision for early departures, can ensure that we can keep folks on board until we're able to find a more fiscally sustainable way of restoring compensation.

- **SJPD Five-Year Staffing Plan**

Given the longer-term challenges we face, it is important that we update our strategy and timeline for the restoration of staffing. We have not discussed such a plan in over half a decade and we need to have a clear plan to provide our residents and our officers assurance that we can, and will, make progress. Let's start this process now.

Other potential solutions include:

- **Expansion of capacity or frequency of future police academies**
- **Use of housing subsidies to help young officers live in San José**
- **One time educational incentive pay (intermediate or advanced POST)**

Any other ideas presented by our officers, the staff, our colleagues, and the public should be solicited at this hearing.